

ORIGINAL

ILLINOIS
COMMERCE COMMISSION

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Case No. 01-0362

Ascendtel initially proposes to provide data transmission services via high-speed, high quality data connections. However, Ascendtel seeks authority to provide the full range of local exchange and interexchange services in its later service offerings. Ascendtel seeks authority to provide all forms of facilities-based and resold local exchange and facilities-based interexchange services and switched access services. Ascendtel proposes to provide service through its own electronic equipment collocated at ILEC central offices, through the use of unbundled network

elements and/or other transport means leased or purchased from the incumbent local exchange carrier and/or other certified carriers, and /or through the resale of the services of the incumbent local exchange carrier and/or other carriers.

In support of its application, Ascendtel provides the following information:

1. The Applicant. Applicant's legal name is Ascendtel, LLC. Applicant may be reached at its principal place of business:

Ascendtel, LLC
524 15th Street
Moline, Illinois 61265
Telephone: (309) 736-8000
Facsimile: (309) 736-8048

Correspondence or communications pertaining to this application should be directed to:

Charles W. Brooke, Esq.
2210 East 52nd Street
Davenport, IA 52807
Telephone: (319) 441-9800
Facsimile: (319) 441-9898

with a copy to:

Kristina D. Harris
President & Chief Executive Officer
Ascendtel, LLC
524 15th Street
Moline, Illinois 61265
Telephone: (309) 736-8000
Facsimile: (309) 736-8048

Notices, orders and other papers may be served upon Ascendtel's counsel and such service shall constitute service upon Ascendtel.

2. Questions concerning the ongoing operations of Applicant following certification, including questions relating to consumer issues, customer complaint resolution, technical and

service quality issues, tariff and pricing issues, 9-1-1 issues, and security/law enforcement issues, should be directed to:

Roberta J. Brooke
Vice President of Regulatory
524 15th Street
Moline, Illinois 61265
Telephone: (309) 736-8000
Facsimile: (309) 736-8048

3. Articles of Organization. Ascendtel is a limited liability company organized on March 14, 2001, under the laws of the state of Illinois. A copy of Ascendtel's Articles of Organization is attached hereto as Exhibit A.

4 Certificate of Authority to Transact Business in Illinois. Ascendtel has made application with the Illinois Secretary of State for a Certificate of Authority To Transact Business in Illinois. A copy of the application is attached hereto as Exhibit B.

APPLICANT'S SERVICES

5. Services to be Offered. Initially, Ascendtel intends to concentrate on providing data transmission services. Applicant requests authority, however, to provide the full range of local exchange and interexchange services to permit flexibility in the expansion of its service offerings.

Ascendtel will deploy xDSL (digital subscriber line) technology to provide high-speed, high quality data connections. Ascendtel's data communications services will be available on a full-time basis, twenty-four hours a day, seven days a week.

Ascendtel also seeks authority to provide all forms of facilities-based and resold local exchange and facilities-based interexchange services and switched access services. Once voice services are initiated, Ascendtel will provide access to ordinary intraLATA (local access and

transport area)and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services such as 911 and E911 either through its own operations or by purchasing those services from underlying carriers.

6. Facilities to be Used. Ascendtel will deploy xDSL technology to provide high-speed, high quality data connections. Ascendtel proposes to provide service through its own electronic equipment collocated at ILEC central offices, by utilizing unbundled network elements and/or other transport means leased or purchased from the incumbent local exchange carrier and/or other certified carriers, and/or through the resale of the incumbent local exchange carrier and/or other carriers. Ascendtel may later construct its own switching and transmission facilities as market conditions warrant. Ascendtel proposes to install an Asynchronous Transfer Mode ("ATM") switched network to carry its data traffic. Ascendtel will establish a hub in each metropolitan area in which it provides service. The hub will be connected to Ascendtel's collocated facilities in the ILEC's central offices via appropriate interconnects, such as multiple T-1's, DS3 and/or OC3.

7. Ascendtel will bill its customers for services on a monthly basis unless otherwise agreed. All bills will be detailed, listing services, features, taxes and surcharges.

8. Ascendtel has established a toll-free number for customer inquiries. This number is (1 (888) 620-7873. Ascendtel will have personnel, including technical personnel, available during regular business hours to respond to inquiries about service or billing.

9. Unauthorized Switching, Solicitation of New Customers, and Prevention of Unauthorized Switching. No complaints have been made nor has any investigation been undertaken against Ascendtel or any of its affiliates for unauthorized switching ("slamming") or other illegal activities. Ascendtel initially plans to market data services only. Therefore,

customers will not change their preferred long distance carrier when subscribing to Ascendtel's high-speed data service. When Ascendtel begins offering voice services, it will prevent unauthorized switching of customers by obtaining appropriate authorization including, where required, a signed letter of authorization from all new customers. Ascendtel will comply with state law and the Federal Communications Commission's ("FCC") regulations governing how interexchange carriers change a consumer's Primary Interexchange Carrier. Ascendtel will also comply with FCC regulations and any applicable state laws governing how carriers may change a consumer's primary local exchange provider.

10. Ascendtel will complete applications and/or registrations with the Universal Telephone Assistance Corporation ("UTAC") and the Illinois Telecommunications Access Corporation ("ITAC") upon receiving certification and prior to furnishing service.

MANAGERIAL AND FINANCIAL QUALIFICATIONS

11. Technical and Managerial Abilities. Ascendtel's management and technical team has the necessary managerial and technical resources and qualifications necessary to execute its business plan, to provide its proposed telecommunications services, and to operate and maintain Ascendtel's facilities over which such services will be deployed. Ascendtel's management team has extensive experience in the telecommunications industry. Biographies of Ascendtel's key personnel are attached hereto as Exhibit C.

12. Ascendtel submits the Direct Testimony of Kristina D. Harris as Exhibit D.

13. Ascendtel's directors are:

Kristina D. Harris
Roberta J Brooke

Ascendtel's officers are:

Kristina D. Harris	Chief Executive Officer & President
Roberta J. Brooke	Vice President of Regulatory
Mike D. Farrier	Vice President of Operations & Sales
Alan L. Harris	Executive Vice President
Charles W. Brooke	General Counsel

14. Financial Abilities. Ascendtel is financially qualified to provide local exchange telecommunications services in Illinois. In particular, Ascendtel has access to the financing and capital necessary to conduct its telecommunications operations as specified in this application.

14(a). Current Financial Information. Attached hereto, in a sealed envelop, as Confidential Exhibit E, are the most recent financial statements and balance sheets of Ascendtel. This financial information is only attached to the original application. Duplicated copies of Ascendtel's application do not contain this financial information. Ascendtel respectfully requests that the financial information in Exhibit E not be publicly disclosed.

14(b) Five-Year Projection of Expected Operations. Attached hereto, in a sealed envelope, As Confidential Exhibit F, is a five-year projection of expected operations including pro forma income statements and pro forma cash flow statements for Ascendtel. This financial information is only attached to the original application. Duplicated copies of Ascendtel's application do not contain this financial information. Ascendtel respectfully requests that the financial information in Exhibit F not be publicly disclosed.

15. Maps of Facilities Locations. Ascendtel seeks certification to provide telecommunications services in those local areas served by SBC/Ameritech.

16. Other certifications. Ascendtel has not yet been granted authorization to provide telecommunications services in any state. However, Ascendtel is currently in the process of

obtaining authority to provide telecommunication services in the state of Iowa. Ascendtel has not been denied requested certification in any jurisdiction, nor has it had a permit, license, or certificate revoked by any authority. Ascendtel has not had any complaints registered against it in other jurisdictions.

REQUESTS FOR WAIVERS

17. As a competitive carrier, Ascendtel intends to comply with all applicable rules intended to protect the safety and convenience of the public. However, Ascendtel hereby requests that the Commission waive the following rules:

17(a). Ascendtel requests that the Commission waive the requirement that it follow the Uniform System of Accounts ("USOA"), 83 Ill. Admin. Code 710. Ascendtel currently maintains its books pursuant to generally accepted accounting principals ("GAAP"). Absent a grant of waiver, Ascendtel would be required to maintain a dual set of books, with one set solely for Illinois. Because GAAP accurately reflects Ascendtel's operations, it is an alternative procedure that will be consistent with the principles embodied in the USOA provisions. Ascendtel will maintain an accounting system in accordance with GAAP that will permit the Commission to monitor Ascendtel's operations and that will permit it to comply with applicable Commission requirements.

17(b). Ascendtel requests a waiver of 83 Ill. Admin. Code 735.180 regarding the provision of directories until such time as Ascendtel provides basic local exchange services. Ascendtel initially intends to provide only data transmission services, and therefore telephone directories, which are attendant to voice telephone service, will not be required for its customer

services. When Ascendtel provides voice-grade service, it will contract with the incumbent local exchange carrier for directory services.

THE PUBLIC INTEREST

18. Public Interest. The Commission has already approved numerous applications for competitive local exchange carrier ("CLEC") services in Illinois. Approval of Ascendtel's application will serve the public interest by creating greater competition in the local exchange marketplace and the high-speed data market in particular. Ascendtel's certification as a provider of CLEC services will not have a negative impact on price, network design or financial viability of the incumbent LEC, the principal providers of local exchange service in Illinois. To the contrary, introduction of a new competitive entrant will promote the availability, affordability, and quality of exchange telephone services. The public convenience and necessity, therefore, will be served by the issuance of a Certificate of Public Convenience and Necessity to the Applicant authorizing it to provide the services described herein.

19. Tariff. Upon the granting of a certificate, Ascendtel is prepared to file a tariff as appropriate setting forth the proposed services and charges to be offered by Ascendtel.

20. Ascendtel will serve a copy of this Application on any potential competitor, government entity, or interested party requesting a copy, and to any persons that the Commission so directs by order or by its rules.

WHEREFORE, Ascendtel, LLC, respectfully requests that the Illinois Commerce Commission issue a Certificate of Public Convenience and Necessity authorizing Ascendtel to provide resold and facilities-based, switched and dedicated local exchange telecommunications services in the state of Illinois.

Respectfully submitted,



Charles W. Brooke, Esq.
2210 East 52nd Street
Davenport, IA 52807
Telephone: (309) 441-9800
Facsimile: (309) 441-9898

Counsel for Ascendtel, LLC.

Dated: April 30, 2001

VERIFICATION


State of Iowa)
County of Scott) S.S.

I, Kristina D. Harris, being first duly sworn, depose and state that I am President & Chief Executive Officer of Asendtel, LLC, Applicant in the subject proceedings; that I have read the foregoing application and exhibits and know the content thereof; that to the best of my knowledge, information and belief, all statements of fact contained herein are true, and the application is a correct statement of the business and affairs of Ascendtel, LLC in respect to each and every matter set forth herein.

Executed on this 30th day of April 2001.

By: Kristina D. Harris
Name: Kristina D. Harris
Title: President & Chief Executive Officer
Company: Ascendtel, LLC

Subscribed to and sworn before me this 30th day of April 2001.



Notary Public

My Commission expires on 6/14/2008.

LIST OF EXHIBITS

EXHIBIT A	Articles of Organization
EXHIBIT B	Application for Certificate of Authority
EXHIBIT C	Managerial and Technical Team
EXHIBIT D	Direct Testimony of Kristina D. Harris Appendix A – Standard Questions Appendix B – 9-1-1 Questions Appendix C – Financial Questions Appendix D – Prepaid Service Questions
EXHIBIT E	Current Financial Information [CONFIDENTIAL]
EXHIBIT F	Five-Year Projection of Expected Operations [CONFIDENTIAL]
EXHIBIT G	Chart of Accounts
VERIFICATION	

EXHIBIT A

Articles of Organization

Form **LLC-5.5**
January 2000

Jesse White
Secretary of State
Department of Business Services
Limited Liability Company Division
Room 359, Howlett Building
Springfield, IL 62756
<http://www.sos.state.il.us>

Payment must be made by certified check, cashier's check, Illinois attorney's check, Illinois C.P.A.'s check or money order, payable to "Secretary of State."

Illinois
Limited Liability Company Act
Articles of Organization

SUBMIT IN DUPLICATE
Must be typewritten

This space for use by Secretary of State

Date _____
Assigned File # _____
Filing Fee \$400.00
Approved: _____

This space for use by
Secretary of State

COPY
FOR YOUR FILES

1. Limited Liability Company Name: Ascendtel, LLC

(The LLC name must contain the words limited liability company, L.L.C. or LLC and cannot contain the terms corporation, corp., incorporated, inc., ltd., co., limited partnership, or L.P.)

2. If transacting business under an assumed name, complete and attach Form LLC-1.20.

3. The address of its principal place of business: (Post office box alone and c/o are unacceptable.)
524 - 15th Street

Moline IL 61265

4. The Articles of Organization are effective on: (Check one)

a) X the filing date, or b) _____ another date later than but not more than 60 days subsequent to the filing date: _____
(month, day, year)

5. The registered agent's name and registered office address is:

Registered agent:	<u>Kristina</u>	<u>D.</u>	<u>Harris</u>
	<small>First Name</small>	<small>Middle Initial</small>	<small>Last Name</small>
Registered Office:	<u>524</u>	<u>15th Street</u>	
(P.O. Box and	<small>Number</small>	<small>Street</small>	<small>Suite #</small>
c/o are unacceptable)	<u>Moline</u>	<u>61265</u>	<u>Rock Island</u>
	<small>City</small>	<small>ZIP Code</small>	<small>County</small>

6. Purpose or purposes for which the LLC is organized: Include the business code # (IRS Form 1065).

(If not sufficient space to cover this point, add one or more sheets of this size.)

"The transaction of any or all lawful business for which limited liability companies may be organized under this Act."

7. The latest date, if any, upon which the company is to dissolve April 1, 2101
(month, day, year)

Any other events of dissolution enumerated on an attachment. (Optional)

N/A

LLC-4.5

LLC-5.5

8. Other provisions for the regulation of the internal affairs of the LLC per Section 5-5 (a) (8) included as attachment:
If yes, state the provisions(s) from the ILLCA. ☐ Yes ☒ No

9. a) Management is by manager(s): ☐ Yes ☒ No
If yes, list names and business addresses.


- b) Management is vested in the member(s): ☒ Yes ☐ No
If yes, list names and addresses.

Kristina D. Harris
524 - 15th Street
Moline IL 61265

10. I affirm, under penalties of perjury, having authority to sign hereto, that these articles of organization are to the best of my knowledge and belief, true, correct and complete.

Dated March 14, 2001
(Month/Day) (Year)

Signature(s) and Name(s) of Organizer(s)

1. 
Signature
Kristina D. Harris
(Type or print name and title)
N/A
(Name if a corporation or other entity)
2. _____
Signature

(Type or print name and title)

(Name if a corporation or other entity)
3. _____
Signature

(Type or print name and title)

(Name if a corporation or other entity)

Business Address(es)

1. 524 - 15th Street
Number Street
Moline IL 61265
City/Town

State ZIP Code
2. _____
Number Street

City/Town

State ZIP Code
3. _____
Number Street

City/Town

State ZIP Code

(Signatures must be in ink on an original document. Carbon copy, photocopy or rubber stamp signatures may only be used on conformed copies.)

EXHIBIT B

Application for Certificate of Authority to Transact Business in Illinois

Form **LLC-45.5**

January 1999

Jesse White
Secretary of State
Department of Business Services
Limited Liability Company Division
Room 359, Howlett Building
Springfield, IL 62756
<http://www.sos.state.il.us>

Payment must be made by certified check, cashier's check, Illinois attorney's C.P.A.'s check or money order, payable to "Secretary of State."

**Illinois
Limited Liability Company Act**

Application for Admission to Transact Business

Submit in Duplicate

Must be typewritten

This space for use by Secretary of State

Date

Assigned File #

Filing Fee **\$400**Penalty **\$**Approved: **\$**

This space for use by
Secretary of State

1. Limited Liability Company name: Ascendtel, LLC
(Must comply with Section 1-10 of ILLCA or article 2 below applies.)
2. The assumed name, other than the true company name, under which the LLC proposes to transact business in Illinois is: _____
(If applicable, a form LLC-1.20, Application to Adopt an Assumed Name, is required to be completed and attached to this application.)
3. Federal Employer Identification Number (F.E.I.N.): 36-4430418
4. Jurisdiction of Organization: Illinois
5. Date of Organization: 03-14-2001
6. Period of Duration: 100 years
(See #14 on back)
7. The address, including county, of the office required to be maintained in the jurisdiction of its organization, or if not required, of the principal place of business (Post office box alone and c/o are unacceptable):
- 524 15th St.
(Number) (Street) (Suite)
- Moline IL 61265 Rock Island
(City/State) (ZIP Code) (County)
8. Registered agent: Kristina Dawn Harris
(First Name) (Middle Name) (Last Name)
- Registered Office: 524 15th St.
(Number) (Street) (Suite #)
- (P.O. Box or c/o Moline Rock Island Illinois 61265
are unacceptable) (City) (County) (ZIP Code)
9. The date on which this foreign LLC first did business in Illinois: _____

LLC-45.5

10. The purpose or purposes for which the company is organized and proposes to conduct in this State: Include the business code # (IRS Form 1065).

Competitive Local Exchange Carrier
Business Code # 513300

11. The limited liability company is managed by:
☐ manager(s)
☒ vested in member(s)
12. The Illinois Secretary of State is hereby appointed the agent of the limited liability company for service of process under the circumstances set forth in a subsection (b) of Section 1-50 of the ILLCA.
13. This application is accompanied by a certificate of good standing or existence, as well as a copy of the articles of organization, as amended, duly authenticated within the last thirty (30) days, by the officer of the state or country wherein the LLC is formed.
14. If the period of duration is a date certain and is not stated in the Articles of Organization from the domestic state, a copy of that page from the Operating Agreement stating the date must also be submitted.
15. The undersigned affirms, under penalties of perjury, having authority to sign hereto, that this application for admission to transact business is to the best of my knowledge and belief, true, correct and complete.

Dated April 24, 2001.
(Month/Day) (Year)

Kristina D. Harris
(Signature)
(Signature must comply with Section 5-45 of ILLCA)

Kristina D. Harris President
(Type or print name and title)

*(If applicant is a company or other entity, state name of company
and indicate whether it is a member or manager of the LLC.)

*Please refer to Sections 178.20(d) and (e) of the Administrative Rules

EXHIBIT C

Managerial and Technical Qualifications

EXHIBIT C

Managerial & Technical Team

The members of Ascendtel's management and technical team bring varied and significant experience to the broadband market. This balanced team consists of veterans from both the telecommunications and data communications industries. Throughout Ascendtel's startup, the team has demonstrated success at growing new ideas and adapting to a changing financial and competitive environment.

Kristina D. Harris President & Chief Executive Officer

Kris is the founder, Chief Executive Officer and President of Ascendtel, LLC and has eight years of experience in the areas of executive management, accounting and financial, computer networks (WAN & LAN), and security administration.

In August of 1995 Kris founded Internet Express, an Internet Service Provider (ISP) company, in Moline, Illinois. In the past five years the company has grown from 3 volunteer employees to 19 full-time employees. Kris now owns the remodeled 10,000 sq. ft. building where Internet Express is located. Recently Internet Express developed a state-of-the-art Server Co-Location facility in addition to providing premier Internet connection services to the Quad Cities, Geneseo, Dubuque and Galena areas.

Prior to forming Internet Express, Kris began a career in the accounting/financial arena with McGladrey & Pullen Accountants with positions in the Audit and Tax Accounting departments. During her last three years at McGladrey & Pullen Accountants, her skills with computers and networking were evident and she worked primarily with the internal networking department. Kris's strong dual backgrounds in accounting and computer networking provided the expertise to start and own Internet Express.

Kris's educational background includes a BS Degree in Accounting from Augustana College. Kris has completed course work through XOR on Advanced Unix networking and Cisco System Configurations. Courses have also been completed on OSPF & BGP Routing and High Performance Ethernet at the Learning Tree Education Center.

EXHIBIT C

Managerial & Technical Team

Roberta J. Brooke
Vice President of Regulatory

Roberta Brooke's five years of experience in the ISP arena includes human resources, marketing, telephony negotiations, tariff and tax issues and reporting. She has served as Director of Human Resources, which required communication and meticulous filings with many state and federal agencies for payroll, insurance and all other business reporting. Roberta has also served in the capacity as the primary billing contact with ILECs. This role required her to develop an acute understanding of telephony billing, tariff and taxing issues and required many negotiations with the telephone companies over contract issues.

Roberta's educational background includes BA & MBA degrees in Management Sciences from St. Ambrose University.

Michael D. Farrier
Vice President of Operations and Sales

Mike has a varied background in telecommunications over the past 33 years. Seventeen years were spent with Northwestern Bell and AT&T in most of the technical areas. These areas included construction, installation and repair, switching, toll, engineering, and the business office as a technician and manager. Mike provided Sixteen years of service with Ameritech and SBC in sales and marketing holding several titles such as Major Account Manger with typical annual sales of \$8 Million. Mike has also has experience in Project Management of complex installations. During the last two years, Mike has been involved in sales & marketing, network operations, and WANS associated with Internet access.

Mike's educational background includes engineering at the University of Iowa and numerous courses related to telephony networking and equipment.

EXHIBIT C

Managerial & Technical Team

Nick Vermeer NOC Engineer

Nick is a key member of the network administration team. Nick has seven years of experience in the ISP arena that includes IP Networking, DS1, DS3, SONET installation & troubleshooting, Digital Access Cross Connect devices, and ATM switching. His broad base of skills also include network connectivity, Unix based systems, Cisco configurations, TOM and ATM Network infrastructure. He designs, maintains and implements networks for clients and for internal Internet backbone. Nick helps design client networks with a focus on security and availability.

Nick's educational background includes two years at Iowa State University in the College of Engineering - Computer/Electrical Engineering Dept. Nick has also been involved in coursework through XOR on Advanced Unix Networking and Cisco System Configuration Courses. Nick has also completed courses in OSPF & BGP Routing and High Performance Ethernet from the Learning Tree Education Center

Matthew D. Reed WAN/LAN Specialist

Matt has twenty-four years of experience in the telecommunications and computer arena. His expertise is in diagnosing and repair of a myriad of radio, video, telephone and computer equipment as well as various PBX systems. He is familiar with a variety of computer operating systems including Unix, DOS/Windows and Windows NT. Matt is intimately familiar with the Internet and networking applications for both WAN and LAN systems including installing and troubleshooting DS-1, DS-3, and xDSL circuits.

Matt established Quality Communications in March 1997. Quality Communications existed as an Internet Service Provider in Iowa until it was acquired by Internet Express in April of 1999. Matt became the network administrator for Internet Express.

Matt's educational background includes vocational training on electronic servicing and electronics theory and diplomas from North American Phillips Technical Training Center, Zenith Radio Corp. Technical Training Center, Zenith Data Systems Technical Training Center, and Computer Repair Training Facility. Matt has also received formal instruction in Microsoft NT Exchange Server Administration from the Learning Tree Education Center. Matt is also a founding member of the Quad-Cities Computer Society.

EXHIBIT C

Managerial & Technical Team

Steve Langasek NOC Technician/WAN/LAN Specialist

Steve Langasek has worked in an ISP environment for over three years and is an experienced Unix programmer with an emphasis in computer security. Steve is currently involved in a number of Open Source software projects and is responsible for much of the day-to-day administration of web servers. Steve also has experience with maintenance and installation of T1 circuits and xDSL connections. He has worked closely with Ameritech and Qwest Corporation support staff to resolve telephony issues as they occur.

Steve's formal education consists of a BA Degree in Spanish, with minors in French and Portuguese from Iowa State University.

EXHIBIT D

Direct Testimony of Kristina D. Harris

EXHIBIT D

I, Kristina D. Harris, am President and Chief Executive Officer of Acsendtel, LLC. I hereby provide the following testimony in response to questions posed by the Illinois Commerce Commission.

Appendix A

Standard Questions for Applicants Seeking Local Exchange Service Authority

1. *Is your company seeking any waivers or variances of certain Commission rules and regulations in this proceeding that pertain to local exchange service? Please provide evidence as to why your company is seeking any waiver or variance.*

Yes, see explanation in item 17 of the Application.

2. *Will your company comply with 83 Illinois Administrative Code Part 772, Pay-Per-Call Services, including Part 772.55(a)(1), Billing and Part 772.100(d) Notices?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

3. *Will your company comply with 83 Illinois Administrative Code Part 705, Preservation of Records of Telephone Utilities?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

4. *Will your company abide by 83 Illinois Administrative Code Part 735, "Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Telephone Utilities in the State of Illinois"?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

5. *Who will provide customer repair service for your company?*

Qualified and authorized employees, agents, or contractors on the company's behalf will provide service.

6. *How many people does the company employ?*

The company is currently in shared labor arrangement with Internet Express of Moline, Illinois and NexGen Integrated Communications of Des Moines, Iowa. Internet Express has nineteen employees. It is the company's intention to grow or add employees as growth or market conditions dictate.

7. *Will your company meet the requirements as they pertain to the Telephone Assistance Programs imposed by Sections 13.301 and 13.301.1 of the Illinois Public Utilities Act and 83 Illinois Administrative Code Part 757?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

8. *Will your company solicit, collect, and remit the voluntary contributions from its telephone subscribers to support the Telephone Assistance Programs?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

9. *Does your company plan on filing to become an Eligible Telecommunications Carrier?*

The company does not at the present time plan to become an Eligible Telecommunications Carrier. However, to the extent the company moves into voice telephony, it reserves the right to re-examine this option.

10. *Does the company realize that it will not be able to receive any of the federal reimbursements for the Lifeline and Link Up Programs if it is not an eligible carrier?*

Yes.

11. *Will your company offer all of the waivers associated with the Universal Telephone Service Assistance Programs (UTSAP)?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

12. *Will your company abide by the regulations as prescribed in 83 Illinois Administrative Code Part 755, "Telecommunications Access for Persons with Disabilities," 83 Illinois Administrative Code Part 756 "Telecommunications Relay Service," and Sections 13-703 of the Illinois Public Utilities Act?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

13. *Will the company's billing system be able to distinguish between resale and facilities based service for the collection of the ITAC line charge?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

14. *Has your company signed and return the Universal Telephone Assistance Corporation ("UTAC") and the Illinois Telecommunications Access Corporation ("ITAC") to Commission staff?*

The company will complete and submit UTAC and ITAC applications and/or registrations after receiving certification and prior to providing service.

15. *How does your company plan to solicit customers once it begins to provide local service?*

While Ascendtel's plans to market and solicit data customers have not yet been finalized, Ascendtel believes that such plans will include general media advertising and direct contacts with prospective customers, particularly business customers. In addition, Ascendtel contemplates relationships with ISP's and other parties who may assist to market Ascendtel's data services.

16. *Has your company provided service under any other name?*

No.

17. *Have any complaints or judgements been levied against the company? (Instate, out-of-state, or FCC).*

No.

EXHIBIT D

Appendix B

9-1-1 Questions for Applicants Seeking Local Exchange Service Authority

1. *Will your company ensure that 911 traffic is handled in accordance with the 83 Illinois Administrative Code Part 725 and the Emergency Telephone System Act?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

2. *Will your company contact and establish a working relationship with the 911 systems when you begin to provide local telephone service?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

3. *Will your company coordinate with the incumbent LEC(s) and local 911 systems to provide transparent service for your local exchange customers?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

4. *Who will be responsible for building and maintaining the 911 database for your local exchange customers?*

Roberta J. Brooke, Vice President of Regulatory

5. *How often will your company update the 911 database with customer information?*

The company will update the database as often as applicable rules and practice require.

6. *Will your company's billing system have the ability to distinguish between facilities based and resale for the collection of the 911 surcharge?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

7. *Does your company have procedures for the transitioning of the 911 surcharge collection and disbursement to the local 911 system?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

8. *Will your company's proposal require any network changes to any of the 911 systems?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it is of the understanding that it must adopt existing standards and it will comply with existing requirements.

9. *Will your company be able to meet the requirements specified under Part 725.500(o) and 725.620(b) for the installation of call boxes?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it will comply with this requirement.

10. *Does your company plan to file for a waiver of Part 725.500(o) and 725.620(b) in the future?*

The company's initial plans call for the provision of data services not implicating the voice telephony issues raised in this question. When the company does provide voice service, it reserves the right to file such waivers.

EXHIBIT D

Appendix C

Financial Questions for Applicants Seeking Local Exchange Service Authority

1. *(Answer if requesting waiver of Part 710) What circumstances warrant a departure from the prescribed Uniform System of Accounts ("USOA")?*

See item 17 of this application.

2. *Will records be maintained in accordance with Generally Accepted Accounting Principles ("GAAP")?*

See item 17 of this application.

3. *Will applicants accounting system provide an equivalent portrayal of operating results and financial condition as the USOA?*

See item 17 of this application.

4. *Will applicants accounting procedures maintain or improve uniformity in substantive results as among similar telecommunications companies?*

Yes

5. *Will applicant maintain its records in sufficient detail to facilitate the calculation of all applicable taxes?*

Yes.

6. *Does the accounting system currently in use by applicant provide sufficiently detailed data for the preparation of Illinois Gross Receipts Tax returns? What specific accounts or sub-accounts provide this data?*

The company's system is now in development. It will provide this capability.

7. *If a waiver of Part 710 is granted, will applicant provide annual audited statements or all periods subsequent to granting of the waiver?*

Yes.

8. *Does applicant agree that the requested waiver of Part 710 will not excuse it from compliance with future Commission rules or amendments to Part 710 otherwise applicable to the Company?*

Yes

9. *Please attached a copy of applicant's chart of accounts.*

The chart of accounts is attached as Exhibit G.

EXHIBIT D

Appendix D

Prepaid Service Questions for Applicants Seeking Local Exchange Service Authority

1. *Will customers have the ability to sign up with any long distance company they choose?*

Yes.

2. *Will customers have the ability to use dial around long distance companies?*

Yes.

3. *Does the applicant have interexchange authority in Illinois? If yes, please provide the docket number.*

No.

4. *Will customers have access to the Illinois Relay Service?*

Yes.

5. *Will customers be able to make 1-800 calls for free?*

Yes.

6. *Will the Company offer operator services?*

Yes.

7. *Please describe how applicant plans to collect the monthly fee to be paid in advance.*

The plan has not been determined yet. When the company does provide voice service, the company will comply with the state's requirements.

8. *Will customers' monthly bills show a breakdown of services, features, surcharges, taxes, etc.?*

See above response.

9. *Will customers pay an installation fee? If yes, will payment arrangements be offered for the installation fee?*

See above response.

10. *Will telephone service be in the Company's name or the customer's name. If in the Company's name how will information appear in data bases, such as 9-1-1, directory assistance, etc.?*

See above response.

11. *Will applicant offer prepaid service as a monthly service or as a usage service?*

See above response.

12. *Will applicant provide a warning when the remaining value of service is about to cease?*

The plan has not been determined yet. When the company does provide voice service, the company will comply with the state's requirements.

13. *Is the customer given more than one notice of the remaining value of service?*

See above response.

14. *How much advance notice is given to the customer of the remaining value of service?*

See above response.

15. *If the customer is in the middle of a call will they be disconnected when the remaining value of service has expired?*

See above response.

16. *Has the customer been made aware of potentially being disconnected during a call when the remaining value of service expires?*

See above response.

17. *When does the timing of a call start?*

See above response.

18. *If the person called does not answer, is any time deducted from the customer's account?*

See above response.

19. *Will there be any other instances in which the Company would disconnect a customer, other than running out of prepaid time?*

See above response.

20. *When a customer runs out of time is their phone immediately disconnected or on suspension? (Will they still be able to receive calls?)*

See above response.

21. *Are applicant's services available to TTY callers?*

See above response.

22. *How will the applicant handle a complaint from a customer who disputes the amount of time used or remaining?*

The company's complaint resolution program is not finalized. However, the program will include provisions for informal negotiations with customer service representatives and escalation procedures to management. Further, the company will adopt procedures to ensure that customers will be notified that they may contact the Illinois Commerce Commission for assistance.

23. *The Public Utilities Act requires a local calling area that has no time or duration charges. How will the Company define each customer's untimed local calling area?*

This has not been determined yet. When the company does provide voice service, to the extent there are applicable rules, the company will comply with the requirements.

EXHIBIT E

Financial Statement

[CONFIDENTIAL]

EXHIBIT F

Five-Year Projection of Expected Operations

[CONFIDENTIAL]

EXHIBIT G

Chart of Accounts

04/30/01

Ascendtel, LLC
Account Listing
 April 30, 2001

Account	Type
Petty Cash	Bank
Wells Fargo Checking	Bank
Accounts Receivable	Accounts Receivable
Inventory Asset	Other Current Asset
Other Receivables	Other Current Asset
Prepaid Expenses	Other Current Asset
Undeposited Funds	Other Current Asset
Equipment	Fixed Asset
Equipment:Depreciation	Fixed Asset
Equipment:Original Cost	Fixed Asset
Furniture and Fixtures	Fixed Asset
Leasehold Improvement	Fixed Asset
Software - Assets	Fixed Asset
Vehicles	Fixed Asset
Rent Deposit	Other Asset
Utilities Deposits	Other Asset
Accounts Payable	Accounts Payable
Accrued Expenses	Other Current Liability
Accrued Interest - Shareholders	Other Current Liability
Payroll Liabilities	Other Current Liability
Sales Tax Payable	Other Current Liability
Equipment Loan	Long Term Liability
Shareholder Loan - Kris	Long Term Liability
Capital Stock	Equity
Opening Bal Equity	Equity
Paid in Capital	Equity
Retained Earnings	Equity
ADSL	Income
ADSL:Add on	Income
ADSL:Direct	Income
ADSL:Installation Fee	Income
ADSL:Service Charge	Income
Consulting	Income
DSL Equipment Sales	Income
Equipment Sales	Income
FUSF Fees	Income
IDSL	Income
IDSL:Add on	Income
IDSL:Direct	Income
IDSL:Installation Fee	Income
IDSL:Service Charges	Income
Installation Fees	Income
Miscellaneous Income	Income
SDSL	Income
SDSL:Add on	Income
SDSL:Direct	Income
SDSL:Installation Fees	Income
SDSL:Service Charges	Income
Service Calls	Income
Setup Fees	Income
T1 Service	Income
Co-Location Fees	Cost of Goods Sold
Cost of Goods Sold	Cost of Goods Sold
Cost of Goods Sold - DSL Equip	Cost of Goods Sold
Cost of Sales - ADSL	Cost of Goods Sold
Cost of Sales - ADSL:Installation	Cost of Goods Sold
Cost of Sales - ADSL:Local Loops	Cost of Goods Sold
Cost of Sales - FUSF Fees	Cost of Goods Sold
Cost of Sales - IDSL	Cost of Goods Sold
Cost of Sales - IDSL:Installation	Cost of Goods Sold
Cost of Sales - IDSL:Local Loops	Cost of Goods Sold
Cost of Sales - SDSL	Cost of Goods Sold
Cost of Sales - SDSL:Installation	Cost of Goods Sold
Cost of Sales - SDSL:Local Loops	Cost of Goods Sold
Cost of Sales - T1 Service	Cost of Goods Sold
Cost of Sales - T1 Service:Installation	Cost of Goods Sold
Cost of Sales - T1 Service:Local Loops	Cost of Goods Sold
Network connectivity	Cost of Goods Sold

04/30/01

Ascendtel, LLC
Account Listing
 April 30, 2001

Account	Type
Automobile Expense	Expense
Bad Debt Expense	Expense
Bank Service Charges	Expense
Co-location Expense	Expense
Commissions	Expense
Computer Supplies	Expense
Consultant Referral Fees	Expense
Consulting Fees	Expense
Depreciation Expense	Expense
Domain Registration	Expense
Dues and Subscriptions	Expense
Education	Expense
Equipment Rental	Expense
Installation Fee - Equipment	Expense
Insurance	Expense
Insurance:Auto Insurance	Expense
Insurance:Business Owners Insurance	Expense
Insurance:Professional Liabilities	Expense
Interest Expense	Expense
Interest Expense:Finance Charge	Expense
Interest Expense:Loan Interest	Expense
Interest Expense:Shareholders Interest	Expense
Internet Dialup Charges	Expense
Licenses and Permits	Expense
Maintenance - routers	Expense
Miscellaneous	Expense
Moving Expenses	Expense
Office Supplies	Expense
Parking	Expense
Payroll Expenses	Expense
Payroll Expenses:Bonuses	Expense
Payroll Expenses:Commissions	Expense
Payroll Expenses:Overtime	Expense
Payroll Taxes	Expense
Payroll Taxes:Medicare	Expense
Payroll Taxes:Overtime	Expense
Payroll Taxes:Social Security	Expense
Payroll Taxes:Unemployment	Expense
Penalties & Fines	Expense
Postage and Delivery	Expense
Printing and Reproduction	Expense
Professional Fees	Expense
Professional Fees:Accounting	Expense
Professional Fees:Legal Fees	Expense
Rent	Expense
Repairs	Expense
Repairs:Auto Repairs	Expense
Repairs:Building Repairs	Expense
Repairs:Cleaning	Expense
Repairs:Equipment Repairs	Expense
Repairs:Router	Expense
Security System	Expense
Security System:Fire Alarm System	Expense
Shipping Charges	Expense
Software	Expense
Software Support	Expense
Taxes	Expense
Taxes:Replacement Tax	Expense
Taxes:Sales & Use Tax	Expense
Taxes:Unemployment Tax	Expense
Telephone	Expense
Telephone:ATM Access	Expense
Telephone:Maintenance	Expense
Travel & Ent	Expense
Travel & Ent:Entertainment	Expense
Travel & Ent:Meals- 100%	Expense
Travel & Ent:Meals - 50%	Expense
Travel & Ent:Travel	Expense

04/30/01

Ascendtel, LLC
Account Listing
April 30, 2001

Account	Type
Utilities	Expense
Utilities:Gas and Electric	Expense
Utilities:Water	Expense
Interest Income	Other Income
Other Income	Other Income
Gain/Loss on sale of assets	Other Expense
Other Expenses	Other Expense

CERTIFICATE OF SERVICE

This is to certify that this 2nd day of May, 2001, I have served all parties in the foregoing matter with a copy of the foregoing document by depositing in the United States Mail a copy properly addressed, with adequate postage thereon to:

Judy Marshall
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Illinois Commerce Commission
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Springfield, Illinois 62701

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